





### 3 French Parties Will Unite On Candidate to Face Chaban

BORDEAUX, France, Aug. 20 (AP)—Three leading French leftist parties agreed last night to run a joint candidate against Prime Minister Jacques Chaban-Delmas in next month's election here.

The Socialist party, the center-left Convention of Republican Institutions and the Radical party, led by Jean-Jacques Servan-Schreiber, agreed to nominate one candidate to pose a non-Communist alternative to the Gaullists. The candidate was not named, but Maurice Duvrier, a political sociologist and a radical, is the front-runner.

The Communist party has already declared that it would fight for the seat. The extreme-left United Socialist party, which has won some youth votes from the Communists, attacked the three-party move as "backing a camouflage conservative."

The election, which is expected to be held on Sept. 20 and on Sept. 27 if a runoff vote is required, was caused by the death of Mr. Chaban-Delmas's parliamentary substitute. Under the French Constitution, a deputy who enters the cabinet hands over his seat to his substitute.

Mr. Chaban-Delmas is expected to seek re-election to the seat.

### Italy Braces For Word of New Taxes

But Railway Fares, Cigarettes Are Safe

ROME, Aug. 20 (UPI)—Premier Emilio Colombo conferred today with his chief economic aides and announced that Italians will be told next Thursday about new taxes intended to ease the nation through a money squeeze.

Treasury Minister Mario Ferrari-Aggradi said the price of cigarettes would not go up. Budget Minister Antonio Giamatti said railway fares would not go higher.

Other than that, ministers refused to discuss a new tax package, which government sources said was intended to raise 300 billion lire (\$40 million) by Dec. 31.

The government reported last week that its tax revenues for the first six months of the year fell 254 billion lire (\$406 million) below budget forecasts.

The drop coincided with a series of staggering debts by several semi-state agencies. The government faces the grim prospect of bailing them out or watching the fragile national health system collapse.

Sources said it was likely that Mr. Colombo would approve new taxes on gasoline, alcohol, jewelry, coffee, phonograph records, playing cards and automobile purchase and taxes.

Luxury or semi-luxury goods were selected, they said, because the cost of living has increased 5.4 percent during the last 12 months.

To boost the cost of essential goods would alienate much of the country and increase the tax load on the poor.

When Mr. Colombo outlined his coalition government's proposed policies last week, he put the emphasis on economics. But he ruled out devaluation as a way of solving problems.

The state did take in 5.8 trillion lire (\$93 billion) in taxes during the first six months of the year. Ited Finance Minister Luigi Preti predicted the Treasury would reach anticipated budget revenues of 10.45 trillion lire (\$17.7 billion) by Dec. 31.

Even if the figure is reached, the budget will still show a deficit of 1.8 trillion lire (\$2.9 billion).

### Israelis Silent About Algerians

TEL AVIV, Aug. 20 (AP)—A total news blackout remained in effect today over the whereabouts and fate of two Algerian nationals taken from a British airliner Friday when it landed at Lod International Airport.

Police and Foreign Ministry spokesmen refused any comment on the whereabouts of the two, who were moved from a hotel near the airport Tuesday after they were spotted by newsmen.

Maj. Djelloul Khatib, reportedly a close confidant of Algerian President Houari Boumedienne, and Ali Belaziz, described as a businessman, were taken from a Europe-bound airliner flying from the Far East.



ANONYMOUS TESTIMONY—Three masked and unidentified witnesses testifying at a Senate Judiciary subcommittee hearing on the use of drugs in the military services.

### Hussein Meets With Nasser

(Continued from Page 1)

that the Arabs would recover all the occupied territories east of Jerusalem the Golan Heights of Syria Jordan's west bank Egypt's Sinai Peninsula and the Gaza Strip.

After their first session, Mr. Nasser and King Hussein left by special train for Alexandria, where the talks will resume tomorrow.

Exchange of Abuse  
CAIRO, Aug. 20 (UPI)—In other developments in the Arab world today:

● Iraq, which rejected a negotiated settlement, continued to exchange abuse with Egypt, and the Palestinian guerrillas, fearful Jordan may try to crush their movement as the next step toward peace, said Iraq had agreed to support their fight against "counterrevolutionaries."

● In Cairo, Egypt reacted sharply to a statement from the U.S. State Department that Egypt may have broken the cease-fire by moving ground-to-air SAM-3 missiles closer to the Suez Canal.

The American statement was evidence of the "campaign of Zionist pressure on the American government and the weakness of that government to the pressure," an Egyptian spokesman said.

● Officials said there were no incidents today along the Canal cease-fire line.

● The Middle East News Agency today said 55 Egyptians had been arrested in Baghdad as part of an Iraqi harassment campaign. Official Baghdad radio said Egyptian intelligence men continued their harassment of Iraqi Embassy officials in Cairo and arrested more Iraqi students in Egypt.

### Israeli Planes Again Attack Guerrilla Targets in Jordan

TEL AVIV, Aug. 20 (Reuters)—Israeli jets attacked guerrilla targets in northern Jordan today for the fourth time since the cease-fire began, a military spokesman said.

The raid followed a guerrilla Katyusha rocket attack into the Beisan and Nahal Masnah areas of Israel just after dawn.

A military spokesman here said all Israeli planes returned safely to base from the raid.

The Katyusha attacks caused no casualties and Israeli forces returned the fire, he said.

Farther to the north, near the Lebanese border, two Israeli soldiers were killed and four more wounded when a band of guerrillas launched a mortar and small-arms attack against an Israeli position last night, the spokesman said.

Blast at Netanya  
TEL AVIV, Aug. 20 (AP)—An explosion ripped through the tourist resort of Netanya, 20 miles north of Tel Aviv, early today, wounding three persons, police said.

The bomb, placed under a small truck, was the first to go off in an Israeli city this year.

The blast damaged three automobiles and caused pieces of the truck to be hurled dozens of yards.

In Amman, the Palestine Armed Struggle Command said el-Fatah was responsible for the explosion. Reuters reported.

Four Guerrillas Killed  
TEL AVIV, Aug. 20 (UPI)—Four Arab guerrillas died yesterday in a clash between two rival Palestinian commando organizations.

### Israel Ready To Negotiate

(Continued from Page 1)

missiles toward the Suez Canal at about the time the cease-fire and military standstill agreement took effect. It said, however, that Israel's evidence of continuing missile deployment during the cease-fire period was not conclusive.

Mrs. Meir reportedly made a personal appeal to the Nixon administration to withhold a public statement a few more days, until further evidence could be studied by the United States.

U.S. Ambassador Walworth Barbour and Mr. Eban held two meetings Monday and Tuesday to try to reach an agreement on how the cease-fire violations should be treated, both in public statements and in private American communications with Egypt and the Soviet Union.

They were unable to agree on a joint strategy, Israeli officials said, with Washington eager to downplay the Israeli charges and against letting them go ignored.

Mrs. Meir's intervention served only to prod the State Department into announcing the U.S. would take the matter up with Cairo and Moscow.

Aside from the actual reading of the intelligence data, Washington and Jerusalem differed on the desirability of public disclosure. The U.S. urged that nothing more be said in public; the State Department spokesman said yesterday that no further public announcements were planned.

The Israeli Foreign Ministry greeted that statement with the comment that "we consider ourselves duty bound to add that we are continuing to explain to the public the data and information in our possession."

Ararat Aide in Peking  
TOKYO, Aug. 20 (UPI)—Premier Chou En-lai of China met today with Hovhann Yeghyes, special envoy of Yasser Arafat, head of the Palestine Liberation Organization, the New China News Agency reported.

### Income Tax Surcharge Leads W. Germans to Quit Churches

By David Binder

BONN, Aug. 20 (UPI)—Authorities of the Roman Catholic and Evangelical Churches reported today an alarming desertion rate, apparently as the result of the federal government's introduction last month of a 10 percent surcharge on income taxes.

Ten percent is also the amount deducted from the incomes of most registered churchgoers as a church tax (church tax). It was noted widely and it is assumed that most of those quitting their respective churches were doing so to compensate for the income-tax surcharge.

A random survey of district courts across the country showed a sudden upswing in the numbers of persons registering their withdrawals.

The district court in Bielefeld reported that an average of ten persons have appeared daily in the last several weeks to declare withdrawal from their churches, in contrast to a previous rate of two a day.

In Cologne, 2,734 registered churchgoers have withdrawn since the beginning of the year, compared to 1,413 in the same period last year. The Westphalian District Court reported a "leap" in withdrawals. Several of the courts said that the

applicants openly linked their withdrawals to the new tax.

The church tax has recently become a hotly disputed issue here, both on moral and fiscal grounds. Altogether, West Germany's 28.5 million Lutherans and 25 million Roman Catholics pay nearly \$1 billion in taxes for the upkeep of their respective church establishments.

To be accepted as a regular churchgoer eligible to receive the sacraments, a West German must register his faith with the tax authorities.

Recently mounting criticism of the church tax, imposed in Germany since the last century, has only served to strengthen the insistence of church authorities on its retention. The official Evangelical Church position on the tax is that refusal to pay it means "separation from the church." Most Roman Catholic bishops take the same stance.

One of the major points of criticism against the church tax in recent years is the steadily mounting wealth that the church establishments derive from it.

So far only one major political organization, the Free Democratic party, has come out openly against the church tax.

Rein, Rein, Go Away—Trainer Larry Filer has replaced the traditional bridle, bit, etc., with an automobile steering wheel and a length of wire around the neck of the horse. His mount, Doc, quickly learned to respond to the strange device.



REIN, REIN, GO AWAY—Trainer Larry Filer has replaced the traditional bridle, bit, etc., with an automobile steering wheel and a length of wire around the neck of the horse. His mount, Doc, quickly learned to respond to the strange device.

### Pentagon Asserts Drugs Don't Impair Vietnam Units

WASHINGTON, Aug. 20 (UPI)—A Pentagon report said today a study of drug usage among U.S. troops turned up no evidence of impairment of readiness of units in Vietnam.

The report by a special task force was made public by Defense Department witnesses as they appeared at a Senate hearing to testify on drug abuse among the military.

The task force concluded that "a serious and growing" national drug problem extended into the armed forces. But it said the extent of the problem was no greater among the military than outside.

Drug abuse by men in uniform "is not such that at this point military readiness is considered to be endangered," the report, dated June 24, said.

Some witnesses earlier this week at the hearings testified that drug usage was quite high among men in Vietnam. Three former GIs appeared in Halloween-type masks yesterday to testify about their experiences.

One, who called himself Frankie, said of marijuana: "You smoke it and you get wrecked and you don't know what the hell you're doing."

The Pentagon report called for continuation of a present policy of discharging drug offenders, but recommended that they be eligible for treatment at veterans' hospitals. This is not now permitted in such cases.

The task force also suggested closer screening of those being taken into the armed services to weed out actual and potential drug users. It also put in a word for an all-volunteer army, suggesting that this would cut the number of drug abusers being taken into the services.

Dodd Praises Witnesses  
Sen. Thomas J. Dodd, D., Conn., conducting the Senate hearings, described the three masked, nameless witnesses yesterday as "brave men indeed" to appear.

"Frankie" told how most of his tank company in Korea in 1960, 63 regularly got "stoned" on marijuana and how he, high on the drug while operating a tank, nearly mowed down members of a ground patrol because he couldn't see them.

Dr. Baird also said that in the merchant marine smuggling drugs through, where there are few or no checks, such as Port Huen, Calif., Galveston, Texas, several New Jersey ports.

State of Emergency  
"We have lost 43,000 people in Vietnam. However, the same amount of time have been over 140,000 drug associated deaths. I do not see senator or any governor getting set and calling for an immediate investigation."

"This is a state of emergency and should be declared to Congress," he said.

Dr. Baird also said that in the merchant marine smuggling drugs through, where there are few or no checks, such as Port Huen, Calif., Galveston, Texas, several New Jersey ports.

Thieu Shuffles Army Command  
SAIGON, August 20 (UPI)—President Nguyen Van Thieu tonight ordered a reshuffle of two of Vietnam's four military regions.

Mr. Thieu ordered the transfer of the 2d Military Region in the central highlands reassigned to the 4th Military Region, in Mekong Delta, northeast.

The move was the latest in a series of changes in army commands in recent months. It was the first affecting military region commanders, who enjoy considerable autonomy in administering both civil and military affairs in their areas of responsibility.

Sorties by B-52s Being Cut To Half the Early-69 Level  
WASHINGTON, Aug. 20 (AP)—Defense Secretary Melvin R. Laird said today that the average monthly number of B-52 sorties will be cut to 1,000—nearly half the total of costly individual 28-ton bomb-load missions flown in Indochina 18 months ago.

The cut, a Pentagon spokesman said, coincides with the reduction of U.S. forces in Vietnam and increases in the number of raids being flown by the South Vietnamese Air Force.

The spokesman declined to say what saving money was the reason, though this was cited, along with reduced Communist activity, by Mr. Laird in his announcement of this policy.

The estimated cost of the 28-ton bomb-load mission is \$80,000.

Mr. Laird said in January, 1969, that B-52 sorties in the average month of 1968 were 1,800—that is, 1,800 individual flights. In later announcements he said the figure had been reduced to 1,500 and in March he reported 1,200.

Nixon Goes To Mexico  
(Continued from Page 1)

from time to time and results in uncertainties over who controls border land.

Secretary of State William P. Rogers, who accompanied Mr. Nixon, and Mexican Foreign Minister Antonio Carrillo Flores, former ambassador to Washington, have worked on the agreement.

If an agreement is reached it will be quite historic, because for more than 100 years, there have been border issues. White House Press Secretary Ron Ziegler said. The proposed agreement would be submitted to the Senate in the form of a treaty, Mr. Ziegler said.

A more difficult problem involves extension of a 1965 agreement, due to expire Nov. 15, controlling distribution of the waters of the Colorado River.

Mexican leaders in the Mexican Valley have protested that the agreement penalizes Mexico by denying its farmers a fair share of the waters. They also claim that irrigation practices on the U.S. side of the border result in saline deposits on the Mexican side.

Here for further discussions on the narcotics problem is Attorney General John Mitchell. Much of the ill-will caused in Mexico by the administration's Operation Intercept was overcome when Operation Cooperation replaced it. But substantial narcotics shipments still enter the United States from Mexico, officials report.

Israel Closing Legation After Ceylon Breakoff  
JERUSALEM, Aug. 20 (UPI)—Israel said yesterday that it would close its legation in Colombo, Ceylon, on Aug. 28. The Swiss government will look after Israeli interests on the island, the Foreign Ministry added.

The move followed the Ceylon government's announcement that it was "affecting the immediate suspension of diplomatic relations with Israel."

WEATHER  
AMSTERDAM... 15 64 Very cloudy  
ANAKA... 20 64 Partly cloudy  
ATHENS... 20 66 Sunny  
BEIRUT... 20 66 Sunny  
BERLIN... 20 66 Partly cloudy  
BIRMINGHAM... 20 66 Partly cloudy  
BOSTON... 20 66 Partly cloudy  
BUDAPEST... 20 66 Partly cloudy  
CAIRO... 20 66 Sunny  
CARACAS... 20 66 Partly cloudy  
COPENHAGEN... 20 66 Partly cloudy  
COSTA RICA... 20 66 Sunny  
DUBLIN... 20 66 Partly cloudy  
EDINBURGH... 20 66 Partly cloudy  
FLORENCE... 20 66 Partly cloudy  
FRANKFURT... 20 66 Partly cloudy  
GENEVA... 20 66 Partly cloudy  
HAMBURG... 20 66 Partly cloudy  
HONG KONG... 20 66 Partly cloudy  
LONDON... 20 66 Partly cloudy  
LOS ANGELES... 20 66 Partly cloudy  
LYON... 20 66 Partly cloudy  
MADRID... 20 66 Partly cloudy  
MILAN... 20 66 Partly cloudy  
MONTREAL... 20 66 Partly cloudy  
MOSCOW... 20 66 Partly cloudy  
NEW YORK... 20 66 Partly cloudy  
NICE... 20 66 Partly cloudy  
PARIS... 20 66 Partly cloudy  
PRAGUE... 20 66 Partly cloudy  
ROME... 20 66 Partly cloudy  
SOFIA... 20 66 Partly cloudy  
STOCKHOLM... 20 66 Partly cloudy  
TEL AVIV... 20 66 Partly cloudy  
TOKYO... 20 66 Partly cloudy  
VIENNA... 20 66 Partly cloudy  
WARSAW... 20 66 Partly cloudy  
WASHINGTON... 20 66 Partly cloudy  
WATG... 20 66 Partly cloudy  
ZURICH... 20 66 Partly cloudy

### Teapot Tempest: 54-Cent Sale Is Bye-Bye to \$72

GREAT YARMOUTH, England, Aug. 20 (AP)—Mrs. Alice Royal stirred up a small tempest about a teapot today.

A helper in her china stall at Great Yarmouth Market Place sold a teapot for 54p yesterday. The teapot contained the stall's take for the day—between \$72 and \$96.

Police sought a man of about 50 who had made the bargain buy.



### ETERNAMATIC concept 80

Observe the case and dial of "concept 80". In design, in elegance of line, there is the timepiece of the future. Look inside "concept 80". In the perfect precision, the well-established quality and excellence of the "Eterna-Matic" self-wind, ball-bearing movement... here is a watch with a superb tradition!



Eterna Ltd.  
Precision Watch Factory  
2540 Grenchen, Switzerland

Observe the case and dial of "concept 80". In design, in elegance of line, there is the timepiece of the future. Look inside "concept 80". In the perfect precision, the well-established quality and excellence of the "Eterna-Matic" self-wind, ball-bearing movement... here is a watch with a superb tradition!







## Disastrous Trade Bill

The House Ways and Means Committee has formally approved, by a vote of 17 to 7, a trade bill that would impose import quotas on textiles, shoes, oil and, in all probability, a long list of other products. If adopted and signed, this bill would represent a giant step back to protectionism for the United States.

To avoid a threatened presidential veto, the committee has adopted a few provisions sought by the Nixon administration.

But these do little if anything to improve a disastrous piece of legislation. Indeed, some of the alleged improvements actually create more problems than they solve.

For instance, the bill was modified to give the President qualified authority to end the American Selling Price system, which leads to extraordinarily high tariffs on certain chemicals and other products. But he is instructed to seek more favorable terms than those negotiated during the Kennedy Round of tariff negotiations in exchange for an end to ASP and Congress reserves the right to overrule the President's action by a simple majority vote within 60 days after he takes it.

The committee bill also proposes to let the President exempt particular countries or products from compulsory quotas, if he deems these opposed to the national interest. But, to the extent that the President availed himself of this clause, it would constitute a very discriminatory form of bilateralism.

The bill throws a bone toward the General Agreement on Tariffs and Trade (GATT) by

putting up a specific appropriation of funds as the United States contribution. Far more significantly, however, the bill would put this country in flagrant violation of the GATT rules of international trading and would invite—virtually compel—retaliation.

The Ways and Means Committee has ignored the recommendations of the President's task force on oil import control for shifting oil imports to a tariff system. On the contrary, it would now freeze oil import quotas as long as there are any restraints at all. Unhappily, the President himself has scuttled the task force report. Not content with shelving it when it was submitted last winter, Mr. Nixon has now let it be known that he has abandoned all thought of shifting away from oil quotas.

That White House retreat raises extra worry about how resolutely the administration will fight on other trade issues. The House bill ignores the President's opposition to mandatory quotas on shoes and other products. It ignores the opposition of the Joint Committee on Internal Revenue Taxation to the expensive and wasteful scheme for export subsidies under a so-called Domestic International Sales Corporation (DISC). And it ignores the strong opposition of virtually every reputable independent economist in the country and of representatives of consumer interests.

All in all, this is a thoroughly bad bill—one that should be rejected by both House and Senate. Should it pass, it overwhelmingly deserves a presidential veto.

THE NEW YORK TIMES

## Prague Two Years After

Two years after the invasion that ended Czechoslovakia's sovereignty, the Kafkaesque situation in which Czechs and Slovaks alike now find themselves is grimly summarized in the Prague "joke" that the most neutral country in the world: it does not even intervene in its own internal affairs.

The basic truth of that bitter observation is apparent to anyone who watches the slavish manner in which Czechoslovakia now follows the Moscow line on all issues, plus the thoroughness of the continuing purge of all who gave even moral support to Dubcek's idea of creating a "socialism with a human face."

Two years of military occupation and intense political pressure have brought about—superficially at least—the "normalization" the Kremlin demanded when it sent its own and its satellites' troops across a defenseless state's borders. But it is the normalization that prevails in a graveyard. In the prevailing attitude of cynicism and hopelessness,

people have withdrawn into their private worlds, focusing on how they can get the most out of the state and the economy while contributing as little as possible.

In Hungary roughly a decade ago Janos Kadar met a similar situation by reversing the Soviet policy internally and making his country a relatively tolerable and comfortable nation as Communist states go. Kadar realized he could not indefinitely rule his land merely by sitting on Soviet bayonets. One may suspect that Husak—if he keeps his present post as Moscow's gaudier—would like to try a similar tactic eventually. But will Brezhnev be as flexible as Khrushchev was in giving Kadar his head? And even if this strategy is tried later this decade, will it work? Czechoslovakia, after all, had almost a year and a half of relative freedom under Dubcek; while the 1956 "Budapest spring" under Imre Nagy lasted less than two weeks.

THE NEW YORK TIMES

## International Opinion

### Anniversary in Czechoslovakia

Official Prague can await the 21st of August and the second anniversary of the occupation of Czechoslovakia without the fears of last year. One can call this development "normalization" as the leadership has continued to do since Husak took power. But a genuine agreement between the government and the governed has not yet occurred. The date Aug. 21, 1968, has a place in the consciousness of the people equal to the national catastrophe of the Hussite war, the ruinous battle of White Mountain in the 30-year war and the German occupation.

For the second anniversary, the more heroic times of self-sacrificing students and their protests are past. In their place—more difficult to combat—passive resistance has appeared, which in the economy, where the important decisions are taken in the long run, causes more trouble than the more demonstrative resistance.

—From the Frankfurter Rundschau.

The Czech incident, like the Hungarian incident, once more told the world that no matter how beautiful the Communists describe their ideals and how perfect are their systems, deeds speak louder than words.

If their political systems were good for the people, why are they opposed by the majority of people? Why did the big brothers of the Communist camp have to use tanks and machine guns to force the people to accept the "good systems"? Communism can only attract the blind, the closed-eyed, the shortsighted and the unseeing.

—From Ming Pao (Hong Kong).

Russian tanks rolled into Prague just two years ago, crushing the hopes of those who had tried to liberalize the Communist regime in Czechoslovakia as easily as they might have crushed a spring flower.

"You can't do that sort of thing nowadays," cried a shocked world. But, if you are as ruthless as the Russians, you can. And they did—with complete success. The

## In the International Edition

### Seventy-Five Years Ago

August 21, 1895

PARIS.—The Prefect of Police in Paris has conceived a good idea. He has ordered the police commissaries of the capital and the suburbs to make an inquiry as to the causes of the noxious smells which poison the air in the city. It remains to be seen whether these inquiries will result in the suppression of a nuisance which has become absolutely intolerable. Something should and must be done.

### Fifty Years Ago

August 21, 1920

NEW YORK.—Although Babe Ruth hit his forty-third home run yesterday, the Yankees were unable to beat the Cleveland Indians, since Caldwell, the pitcher for Cleveland, was effective in the pinches, enabling his team to nose out a 3-2 victory. There was also a note of tragedy at the game, when Mr. Theodore Sturm of Toledo dropped dead of a heart attack during the excitement of Babe Ruth's homer.



## 'No Security in Retreat'

By Spiro T. Agnew

This is the address that Vice-President Agnew made Monday to the Veterans of Foreign Wars convention in Miami Beach.

WOULD like to speak to you today of a rising threat to everything our servicemen have fought to accomplish in Southeast Asia—a threat embodied in the Hatfield-McGovern amendment.

Should this proposed amendment become law, unless America declares war, President Nixon would be forced to end any military aid to Laos and to halt all military operations in South Vietnam—twenty weeks from today. Every American soldier, sailor, marine and airman would have to be out of Vietnam by June 30 of next year—ten-and-a-half months from today.

Hatfield-McGovern is a blueprint for the first defeat in the history of the United States—and for chaos and Communism for the future of South Vietnam. The Washington Post was generous to call this amendment "reckless." It is worse than that; if adopted by the Senate and passed by the House, this published "Amendment to End the War in Vietnam" will go down in history as the amendment that lost the war in Vietnam and destroyed the chances for freedom and peace in Southeast Asia for the balance of the century.

Nothing less is at stake.

But, if this amendment and any similarly irresponsible proposal which may be offered, can go down in humiliating defeat for its sponsors in the Senate—then this nation will not go down in humiliating defeat on the battlefields of Southeast Asia—I promise you that. Today, I have a simple question. I am here to ask you, as fellow Americans, and fellow veterans—can the President of the United States count on your support?

'Tragic Blunder'

The charges I have already made here are among the strongest since I took office as Vice-President. But no more dangerous proposal has been presented to the American Congress in those 19 months—or in 19 years for that matter, while I do not question the patriotism of its sponsors of this amendment, I do deeply question their wisdom, their judgment and their logic. They are horribly wrong—and if their grave error is enacted into law, generations of Asians and Americans will suffer for their tragic blunder.

Let us look at the inevitable consequences should Hatfield-McGovern be enacted.

First, the amendment would be a final lethal blow to the Paris peace talks. Any vestige of hope that the enemy will negotiate with Ambassador Bruce at Paris would disappear overnight—for the last incentives for the enemy to talk seriously would be gone. He would have gotten what he came to Paris to get—a fixed final timetable for all Americans to get out of South Vietnam. Why should the enemy offer concessions to the United States for something Senators Hatfield and McGovern and their allies will give him free of charge in four months?

Should this amendment become law, and all American military operations in Southeast Asia cease by December 31, the immense burden of this war could fall immediately and totally upon South Vietnam. The government and people there would confront, alone and all at once, the completion of the enormous tasks of creating a stable democratic society, promoting economic and social reform, fighting an internal war against guerrillas and defending their nation from invasion from three frontiers.

'Bloodbath'

Though South Vietnam has made enormous strides in development in recent years, today she could not carry those burdens alone. No developing nation could.

Hence, the result of a unilateral, precipitous American abandonment of South Vietnam would be the collapse of the government, chaos in the country and ultimately the kind of Communism that literally decimated the civilian population of Hue in the Tet offensive.

The Rand Corporation estimates that if Communism prevails in South Vietnam, 100,000 Vietnamese who placed their faith in us will die for that error in judgment. Douglas Pike, the nation's foremost expert on the Viet Cong, estimates 3 million South Vietnamese could lose their lives in the bloodbath following a Communist victory.

Assuredly, this is not what Sen. Hatfield, McGovern, and those supporting them want—but that is what they are inviting.

They say their amendment will provide for transport and a safe

for Vietnam who would fear for their lives when the Americans go. But how—and where? Do Sen. Hatfield and McGovern have in mind opening up Oregon and South Dakota to resettle the refugees? Hardy, and the place for these men and women who believe so deeply in freedom that they will become exiles rather than submit to the Communist yoke is not Oregon or South Dakota—it is South Vietnam.

It is clear from their mention of "provision" for refugees that Sen. Hatfield and McGovern have considered that the collapse of South Vietnam will indeed be one consequence of their amendment. But have they considered the consequences of that collapse?

One wonders if they really give a damn.

If South Vietnam collapses then victory and success go to the hard-liners in Hanoi and Peking who counseled belligerence and war instead of peace and negotiation.

If South Vietnam collapses, then 285,000 Americans will have suffered and 43,000 will have died for nothing. An American Army, undefeated on the field of battle, will come home in humiliation because impatient pacifists in the Senate lost the war. What will be the reaction then when the American people wake up to learn that the thousands of lives and billions in taxes over a decade had been spent only to find national humiliation and disaster at the end of the road?

Will they then reward the blind impudent politicians who could not see the war through its final hours—and so snatched, for America, military defeat from the jaws of political victory?

If South Vietnam collapses, then Southeast Asia is gone. Those who do not believe in the Domino Theory, as the President has put it, have not talked to the dominoes. Already, Cambodia is half-occupied by North Vietnamese and Viet Cong. Laos is half-occupied by North Vietnamese and Pathet Lao. Thailand is fighting its own Communist insurgency, aided and encouraged from without. Does any rational man believe these countries—or Malaysia and Singapore at the end of the peninsula—can survive if South as well as North Vietnam should come under the rule of militant Communists?

Have the isolationists in the Senate pondered the full consequences of America's defeat in South Vietnam—and freedom's defeat in Southeast Asia? Looking down the road to the year 2000, we see most Asian nations on the threshold of technological maturity; we see an Asia that contains 60 percent of all humanity; we see a world in which there are ten Asians for every American.

Are the isolationists content to let that Asia go by default to the Communists because they lacked the perseverance to see this through?

Lost Confidence

Well, we are not, my fellow Americans, and my fellow veterans—and the President is not—and together we shall see this war through to an honorable end that will do justice to the sacrifices of all our sons.

Have the isolationists considered the impact of the abandonment of this one ally upon America's other allies around the world? Could any nation put trust in the word and capacity of the United States if we sink home, defeated, from the battlefield of Southeast Asia?

As I stated moments ago, while I do not question the patriotism of the Senators I criticize, I do question their wisdom, their logic and their judgment—and I question also their sense of justice.

Some of the same Senators who bewailed a Democratic President's lack of power in foreign policy 10 years ago now contend that this newly installed Republican President has too much power.

Some of the same Senators who supported the "peace plank" at the Democratic National Convention in 1968 now condemn a President who has taken more risks for peace than that plank contained.

Some of the same Senators who were silent while a Democratic President sent 532,000 American soldiers to Vietnam are obstructing and undercutting a President who is bringing 265,000 Americans home.

What is there in the record of this President to justify the at-

titude and actions of these Senators? When President Nixon took office there were 532,000 American troops in Vietnam. He did not send more troops in—he started bringing the boys home. He pledged in June of last year to bring home 25,000 troops; they have come home. He pledged in September to bring home 35,000 more; they have come home; he pledged in December to bring home 50,000 more; they have come home. Every promise he has made to the American people about the war in Asia, he has kept. American casualties are a third of what they were in 1963; time is now on the side of the allies, not the side of the enemy; and still they malign his policies and his performance.

'Act of Courage'

The President has turned the war over to the South Vietnamese as rapidly as they have become prepared to shoulder the burden.

To proceed slower than that is to break faith with the American people. But to move faster than security dictates is to risk the lives of our men and invite a victory for Communism that costs thousands of our lads died to prevent.

The Senate sponsors of Hatfield-McGovern cannot win this war; they cannot concede an honorable peace, but they can lose this war—as well as guarantee the ultimate failure of the uneasy peace to follow—if they convince enough of their colleagues to support their amendment.

They argue in the Senate that the Cambodian decision was a mistake, that it placed limits and restrictions upon the President to force upon him a timetable for withdrawal. I do not agree with that assessment. In my view, the President's decision to enter Cambodia and capture, and destroy those tons of enemy arms and ammunition that would otherwise have been killing American men was an act of courage and the finest hour in the Nixon Presidency.

The Cambodian decision does not argue for putting shackles upon this President. It argues eloquently for the case that the Senate should leave the President alone to exercise his Constitutional powers as Commander-in-Chief and determine what is necessary to protect the lives of American men.

Sen. Fulbright now seeks a larger role for his committee in the conduct of foreign policy—but where the President decided and acted in a matter of hours to protect American lives, it took Mr. Fulbright and his colleagues seven weeks to decide on a simple amendment. His is a history of querulous "fuddy-duddyism."

A Lesson

Many of the men in this great organization trace their military service to their country back to World War I. Yet, today, we see abroad in our land and in the halls of Congress the voices of that same shortsighted isolationism that lost the peace after World War II.

Let us not again forget the lesson that for the United States there is no security in a retreat from the world. Let us not again force an American President to make in deepening despair the kind of statement that Woodrow Wilson made in St. Louis just 10 months after the armistice in France.

"It," he said, "(the Covenant of the League of Nations) should ever in any important aspect be impaired. I would feel like asking the Secretary of War to get the boys together on some field where I could go and see them, and I would stand up before them and say:

"Boys, I told you before you went across the seas that this was a war against wars, and I did my best to fulfill the promise; but I am obliged to come to you in mortification and shame and say I have not been able to fulfill the promise. You are betrayed. You fought for something that you did not get."

"And the Glory of the Armies and Navies of the United States is gone like a dream in the night, and there ensues upon it, in the suitable darkness of the night, the nightmare of dread which lay upon the nations before this war came; and there will come sometime, in the venetian Providence of God, another struggle in which, not a few hundred thousand fine men from America will have to die, but as many millions as are necessary to accomplish the final freedom of the peoples of the world."

Let us never force an American President to say that again.

## A 'Citizens Lobby' That May Succeed

By David S. Broder

WASHINGTON.—If goodwill, good sense and good intentions were a guarantee of success, then Common Cause, the new mass-membership lobbying group, launched this week by John W. Gardner, would be guaranteed a smashing success.

But it takes more than that, as the former Health, Education and Welfare secretary realizes, and that is why there are many fingers being crossed about the prospects for this venture.

The idea of a "citizens' lobby" is one of the oldest and commonest in town. The Average Citizens, Voters and Taxpayers Association of America, Inc., registered as a lobby last year. So did the Friends of the Earth, the Committee for Community Affairs, the Consumer Federation of America, the American Association of Retired Persons, the Youth Franchise Coalition, the National Congress of Parents and Teachers, the National Association of Single Taxpayers and—in case anyone was missed—the Rural, Small Town, City Coalition, Inc.

All these groups operate on the premise that there is a definable "public interest," separate from the various private interests, that deserves and needs to be represented in the lobbying process.

Gardner has already had more success than most of the previous "citizens' lobby" organizers in proving that premise workable. This Urban Coalition Action Council, predecessor of Common Cause, has in the past two years been one of the most effective lobby groups on Capitol Hill.

### Vital Support

It lent vital support at a crucial moment to the civil rights groups' effort to save the voting rights bill from dilution by the administration. Then it turned around and outbid the administration's own lobbyists in helping the welfare reform bill through the House.

This was a professional job of "inside lobbying" handled by the Action Council's four-man Capitol Hill staff, backed by phone calls and telegrams from the group's small but influential board of directors.

Now, seeking the legitimacy and added political muscle that mass-membership can provide, Gardner's group has set out to recruit 100,000 members at \$15 apiece under its new name, Common Cause. As a scheme for financing a lobbying operation, it is nothing very exceptional. But Gardner clearly conceives it in more ambitious terms—as a vehicle for the "many, many Americans who would like to help rebuild this nation but don't know where to begin."

Gardner's aides report that the response to the early round of news stories about the venture has been enthusiastic, but they are anxious to see that the new organization does more than duplicate the mem-

bership of existing liberal lobbying and political-action groups.

Lovell Beale, top lobbyist for the Action Council, spent a day back in his home town of Peoria, Ill., recently, testing reaction to the Common Cause idea. He came back convinced that, while few people in Peoria would identify themselves as "liberals," a good many would willingly support efforts to end the Vietnam war, reform the welfare system and improve the machinery of Congress and the political parties—all of which are among Common Cause's priority goals.

### The First Task

Reaching those "non-labeled liberals" in places like Peoria is the first task for Gardner's group, but the second and tougher one may be holding their allegiance for as long as fundamental reform will take.

Most of the successful mass-membership lobby groups stay in business by focusing sharply on the special interests of their constituents—whether they be higher veterans' pensions, farm subsidies or minimum wages. Gardner's goals are in the category of "common goods," and his target list—ranging from ending the war to providing annual sessions of state legislatures—is so diverse as to risk serious dilution of the members' enthusiasm.

But it is this very fact that makes Gardner's experiment so interesting. In the face of overwhelming evidence that "irritability, hostility, overt antagonism and conflict" between groups is greater than at any time in our recent history, as he said the other day, Gardner clings to the confidence that "the things that unite us as a people are more important than the things that divide us."

The issues that most politicians judge are almost too hot to handle—the war, jobs, schools and housing—are in Gardner's lexicon "convergence issues," causes on which broad agreement can be found.

In an era when public opinion is variously described as "the silent majority" or the "emerging majority" or the "real majority"—is being invoked to buttress negative or conservative political strategies, Gardner has the temerity to assert that significant, substantial, sweeping reform is in fact "the common cause."

It is a bold gamble he has taken, and some of his own associates would have preferred to continue on the old path, rather than risk their attention on Capitol Hill on their ability to generate a mass-membership constituency.

But if Gardner can prove that constituency exists, he may prove exactly what Sam Brown, a student leader, has said the country needs—a movement, not based on the quicksand of the college campuses, that can free the nation from the trap of Vietnam and turn its energies to the urgent unsolved problems at home.

## Letters

### Pervasive

It has taken the "nervous gas attack" it seems to arouse Tom Wicker to "the dangers of an unchecked, unchallenged, unexamined bureaucracy, particularly in the 'defense' establishment."

But whether the government does questionable things in the name of "national security" or in the name of the "national interest," it all stems from the fantastic tendency of government to penetrate (and control) practically every phase of our lives. This should have been finally halted in its tracks not later than 1960; but whom the gods would destroy, they first make mad. And although the point of no return was reached in 1964, the American people, egged on by the liberal press, voted overwhelmingly (communism or otherwise) for the myth of omnipotent government.

What the vast majority did not realize (despite the billions squandered on education) was that once the philosophy of statism is embraced, burgeoning bureaucracy in one department, such as social security, antitrust, education, or taxation, inevitably leads to burgeoning bureaucracy in other departments, like Mr. Wicker's *déjà vu* "defense."

Now, judging by Congress's mania

for spending, "unchecked, unchallenged bureaucracy" will be with us indefinitely until "the debt" or until the people awaken from their deep slumber.

RAYMOND V. MCNALLY, London.

### Free Beaches

Surprising that you didn't stop the blooper, or purposeful exaggeration, of the Reuters report on your back page (Herald Aug. 14), which claimed, "It has become almost impossible to find a good stretch of sand on the Riviera that is neither 'private' nor subject to an entrance fee." Whoever has the reporter wandered, if he really was on the Riviera at all? Most of my recent vacation days were spent on the beautiful 10-kilometer-long Pampelonne beach behind St. Tropez, with nary a "private" sign nor any "entrance fee." Same was true at the Menton, Cavalliere, Le Lavandou and other "Riviera" beaches I visited, as well as beaches I stopped at along the Langue-de-Roussillon development. Fair is fair, and the probability is that perhaps 90 percent or more of France's 3,000 miles of coastline are open to the public without payment.

STEPHEN LAFRE, Paris.

Chairman: John Hay Whitney  
Co-Chairman: Katharine Graham  
Publisher: Arthur Ochs Sulzberger  
Editor: Robert T. MacDonald  
General Manager: André Ming  
Managing Editor: Murray M. Weiss  
Managing Editor: George W. Bates  
Executive Editor: Ray Karpis  
Assistant Managing Editor: John W. Bates

Published and printed by International Herald Tribune at 21 Rue de la Paix, Paris, France.  
Le Directeur de la publication: Walter K. Thompson

Subscription	3 mos	6 mos	12 mos	Subscription	3 mos	6 mos	12 mos
Algeria (air).....	18.00	30.00	54.00	Argentina (air).....	18.00	30.00	54.00
Austria (air).....	20.00	32.00	56.00	Australia (air).....	18.00	30.00	54.00
Belgium (air).....	18.00	30.00	54.00	Canada (air).....	18.00	30.00	54.00
Cyprus (air).....	18.00	30.00	54.00	Denmark (air).....	18.00	30.00	54.00
France (air).....	18.00	30.00	54.00	Germany (air).....	18.00	30.00	54.00
Germany (air).....	18.00	30.00	54.00	Greece (air).....	18.00	30.00	54.00
Great Britain (air).....	18.00	30.00	54.00	India (air).....	18.00	30.00	54.00
Ireland (air).....	18.00	30.00	54.00	Italy (air).....	18.00	30.00	54.00
Israel (air).....	18.00	30.00	54.00	Japan (air).....	18.00	30.00	54.00
Lebanon (air).....	18.00	30.00	54.00	Netherlands (air).....	18.00	30.00	54.00
Libya (air).....	18.00	30.00	54.00	Norway (air).....	18.00	30.00	54.00
				Pakistan (air).....	18.00	30.00	54.00
				Portugal (air).....	18.00	30.00	54.00
				Saudi Arabia (air).....	18.00	30.00	54.00
				South Africa (air).....	18.00	30.00	54.00
				Spain (air).....	18.00	30.00	54.00
				Sweden (air).....	18.00	30.00	54.00
				Switzerland (air).....	18.00	30.00	54.00
				Taiwan (air).....	18.00	30.00	54.00
				Thailand (air).....	18.00	30.00	54.00
				Turkey (air).....	18.00	30.00	54.00
				U.A.R. (air).....	18.00	30.00	54.00
				U.S. (air).....	18.00	30.00	54.00
				U.S. (surface).....	18.00	30.00	54.00
				U.S. (surface).....	18.00	30.00	54.00





Charles Manson on his way to court yesterday morning.

## Manson Complains of Cruelty Of Frequent Body Searches

LOS ANGELES, Aug. 20 (AP)—Charles M. Manson complained on the witness stand at the Sharon Tate murder trial today that he has been mistreated in the county jail. But he added: "It makes me stronger. I can't be discouraged."

## Judge Bars Army From Acting on Cadet Objector

NEW YORK, Aug. 20 (AP)—A federal judge yesterday ordered the U.S. Army to take no action against West Point Cadet Cary R. Donham, the first man in the 168-year history of the U.S. Military Academy to seek an honorable discharge as a conscientious objector.

An army review board ruled that the slight, bespectacled cadet "lacked depth of sincerity" in his claims to be a conscientious objector. Assistant U.S. Attorney Michael Saltzman charged that Mr. Donham waited until his final examinations were finished May 28 to seek his discharge as an objector so that he could transfer to another school with three full years of West Point credits.

## Senators Back Air Pollution Bill

WASHINGTON, Aug. 20 (AP)—A Senate subcommittee today announced it has approved a bill to set national air quality standards and require production of a non-polluting car by 1975—five years before the auto industry says it can be done.

Under the bill, worked out in a Senate Public Works subcommittee, the standards would take effect within 1 1/2 years. Sen. Edmund S. Muskie, D., Maine, author of the measure, said at a news conference that the bill sets a three-year deadline for the setting of air quality standards specifying concentrations of pollutants that would not be harmful to human health.

## Alger Hiss Challenges Denial Of U.S. Annuity Payments

NEW YORK, Aug. 20 (AP)—Alger Hiss challenged today the constitutionality of the "Hiss Act," which prohibits payment of annuities to government employees convicted of certain offenses. Hiss, a former State Department aide, spent 3 1/2 years in Levensworth Federal Prison on a conviction of espionage perjury when he denied before a federal grand jury that he ever gave state secrets to Communist spies. He was released in 1954.

He filed today as a co-plaintiff in a class action suit with Richard Strassburger, a former postal employee, who was discharged and denied his annuity. Strassburger was accused of falsely denying membership in the Communist party.

The complaint was filed in Washington, the American Civil Liberties Union said. Hiss, 65, is seeking an annuity of \$61 a month. He blamed the "spirit of McCarthyism" for the spy charges and perjury conviction against him and claimed the Hiss Act "was just another reactionary provision of the McCarthy period that has yet to be eliminated."

The late Sen. Joseph R. McCarthy, a Wisconsin Republican, was chairman of a Senate subcommittee that made extensive public investigations of alleged subversion in the early 1950s. He was censured by the Senate for unbecomingly conduct.

## \$214 Million Seen Added To C-5A Bill

Contract Amendment Results in New Rise

By Bernard D. Nossiter

WASHINGTON, Aug. 20 (WP)—In the final week of the Johnson administration, the Air Force rewrote its contract for the C-5A cargo plane in a way that appears to grant Lockheed Aircraft more than \$200 million extra for the costly aircraft.

Documents made available to The Washington Post yesterday describe the hitherto unrevealed change. The original Air Force Lockheed contract was signed in October, 1965. The amendment was written in on Jan. 17, 1969, three days before President Nixon took office.

It is unofficially estimated to have increased Lockheed's income by \$214 million.

Last night, the company denied that the revision had increased its payments. A Lockheed spokesman said: "There is no financial effect from this supplemental agreement change that is different than the one provided for in the original contract." The revision, he said, was merely designed to clear up an ambiguity.

Senate Likely to Debate

The discovery of the revised agreement is likely to figure in a Senate debate next week. The lawmakers are then expected to vote on a Pentagon proposal to give Lockheed still another \$300 million.

Sen. William Proxmire, D., Wis., whose inquiries disclosed the huge cost overrun in the production of the aircraft, will introduce an amendment limiting the conditions under which this payment can be granted.

Sen. Proxmire said, "This remarkable discovery demonstrates the Air Force's lack of concern for the taxpayers and its willingness to serve as a cornucopia for Lockheed. It is incredible that a government agency should rewrite an agreement to give a supplier, for no apparent reason, a handout of several hundred million dollars."

"It is one additional reason for placing strict curbs on further advances to Lockheed, that is precisely the purpose of my amendment."

Sen. Proxmire's amendment would permit the \$300 million advance to Lockheed under only one of two conditions. The Pentagon's Board of Contract Appeals must find there is some merit in Lockheed's claims; or, if the company goes through with its threat to default on the contract, a trustee must find that Lockheed needs the money to fulfill its obligation to produce C-5As.

The newly-discovered contract revision affects the original or "golden handshake" formula in the C-5A contract. The original version of the "golden handshake" compels the government to pay premium prices for the second batch of C-5As. These prices rise by a multiple of the costs that Lockheed incurs on the first batch of 58 planes. The revised agreement extends the premium formula to cover the first as well as the second batch.

Officials familiar with the C-5A negotiations said yesterday that the revision was ordered by Robert H. Charles, a former Aerospace executive, he was the Air Force assistant secretary in charge of procurement in the Johnson administration and has publicly claimed credit for the C-5A contract.

The revision was inserted in a supplemental agreement made by the Air Force to bring the number of planes purchased up to 115. However, Congress has authorized only 81 and the Pentagon has cut back its program to this number. Nevertheless, the "golden handshake" revision remains in force and has yielded Lockheed the additional estimated \$214 million.

The Air Force originally expected to pay \$3.4 billion for 120 planes, or \$27 million each. The current estimate is \$4.6 billion for 81 planes or \$57 million each.

The discovery after more than three years that the C-5A contract was changed after its signing was made by two local area law students and three undergraduates from the Massachusetts Institute of Technology. The five are working here this summer on a volunteer project to examine military contracts.

## Canadian City Hit By Wind; 10 Dead

SUDBURY, Ontario, Aug. 20 (AP)—At least six persons died when the community of Lively, population 3,000, just southeast of here, was demolished today by hurricane-like winds of up to 90 miles an hour, provincial police reported. Police said three other persons died in Sudbury, and at least one in Copper Cliff.

A police spokesman said the community of Lively was "flattened right out." Damage in Sudbury, a city of 100,000, was "extensive," with power lines down, an outbreak of small fires and several railroad boxcars blown off the tracks, possibly by several men trapped underneath. Copper Cliff streets were reported to be under ten inches of water.



FRUIT OF THE FOREST—Charming, and charmed by the prospect of a fine meal, this little Czech girl presents her mushroom harvest in a wood near Prague.

## Russia Said to Test SS-9s With Anti-Satellite Weapon

WASHINGTON, Aug. 20 (UPI)—The Soviet Union apparently has been using its giant SS-9 missile to test a weapon it is developing to blow up hostile satellites in orbit, a leading U.S. authority on the Soviet space program said yesterday.

Charles S. Sheldon, chief of the Science Policy Research Division of the Library of Congress, said flight tests of the weapon came to light in the fall of 1968 and were corroborated by later evidence and analysis.

But he said he doubted the Soviet Union at this time had any specific intention of trying to knock down U.S. satellites which they might consider a danger.

Mr. Sheldon said the tipoff to the development of what he described as an "inspector and destructor satellite" were the flights of Cosmos-248, Cosmos-249 and Cosmos-253 in the fall of 1968.

Cosmos-248, he said, went into a low earth orbit and subsequently was maneuvered into a higher orbit.

Cosmos-249 was then sent into an eccentric orbit, made a near-pass at Cosmos-248, and exploded "in a vast cloud of debris," Cosmos-252 went through a maneuver similar to Cosmos-249 and also exploded.

Mr. Sheldon said his years-long study of the Soviet and U.S. space programs indicated the United States led the Soviet Union in the development of military uses of spacecraft.

But he stressed that Russia was making a strong effort in peaceful scientific space exploration. He estimated it was devoting 2 percent of its gross national product (about \$450 billion) compared to 0.5 percent of the gross national product (about \$650 billion) for the United States.

Orbital Bombardment

Successful Soviet scientific launches have been growing annually since 1966 and were leading the United States, he said. He acknowledged that Soviet scientists have devoted noticeable energies toward developing a reconnaissance satellite capability and a fractional orbital bombardment system.

But he said he knew of no evidence that would indicate that the Russians had left a bomb in orbit. The Soviets, he said, brought back to earth their orbiting bomb system short of a full orbit.

To leave it in orbit longer would be to violate the international treaty banning military uses of the moon and outer space.

Mr. Sheldon made his remarks at a luncheon of the National Space Club.

## Four Portuguese MPs Reported Killed in Africa

ADDIS ABABA, Aug. 20 (UPI)—African nationalist guerrillas killed four members of the Portuguese parliament in an ambush in Portuguese Guinea recently, an Organization of African Unity spokesman announced today.

The spokesman said the Portuguese legislators, who included an African, were among a group of Portuguese ambushed by guerrillas of the African Party for the Independence of Guinea-Bissau and Cape Verde.

The spokesman said information about the ambush was contained in a cable received from the African party today.

The spokesman said the cable did not specify the exact date and location of ambush. He said as far as he knew this was the first public disclosure of the ambush.

Near-Miss Noted By Irish Airline

LONDON, Aug. 20 (Reuters)—The pilot of an Irish Aer Lingus airliner carrying 113 passengers has reported a near miss with a Boeing-707 while taking off from Heathrow airport here.

## Prague Expected to Be Quiet On Invasion Anniversary

PRAGUE, Aug. 20 (Reuters)—Wenceslas Square in central Prague, a battleground this time last year, was quiet and peaceful today on the eve of the second anniversary of the Soviet-led invasion of Czechoslovakia.

Other central streets, lined with tanks and water cannon last Aug. 20, were filled with cars and shoppers.

Prague, in short, looked normal—perhaps a victory for the "normalization" begun two years ago tomorrow when the Soviet tanks came in to crush the liberal reforms instituted by former Communist party leader Alexander Dubcek.

But the possibility, however remote, of disturbances tomorrow lent tension to the atmosphere. Armed police patrolled the streets in twos and threes. Army jeeps, commanded by the police, cruised the city, looking for signs of disturbances. The population ignored them.

Police guards around most public buildings, including the radio and television studios and the party Central Committee building, have been reinforced.

At a Soviet-Czechoslovak friendship rally in Prague today, Czechoslovak speakers thanked Soviet military representatives for supporting "counter-revolution" in 1968. Some staunchly conservative groups were reported to be planning thanksgiving meetings tomorrow, but this movement has not received publicity and perhaps not even party support.

In surrounding villages—likely staging areas for troops who could be brought in to quell disturbances here—all was quiet. No particular precautions appeared to have been taken even in those towns that now house Soviet garrisons and where Soviet troops could be targets of resentment.

But perhaps the surest sign that no violence was expected was the absence on the anniversary eve of Communist party leader Gustav Husak, who is in Moscow attending a Warsaw Pact summit meeting.

Mr. Husak has tried to pursue a relatively moderate, though authoritarian, course, despite pressure from neo-Stalinists who have demanded trials of pro-Dubcek reformers and a much tougher domestic crackdown.

Test to Come

If all is in fact quiet tomorrow, Mr. Husak will have demonstrated to the Soviet Union that his policies have worked. If an explosion of resentment comes, it could be used by his political opponents to show that he has not been in control and that much tougher repression is needed.

The test will come when the population either obeys or ignores a reformist appeal for a boycott of shops, cinemas, theaters and newspapers and a voluntary 7 p.m. curfew.

But even if the appeal is widely obeyed, the demonstration of popular resistance to the regime will be minor, compared to last year, when at least five people were killed in battles with the police.

## Peking Protests Prague Blockade Of Cambodians

TOKYO, Aug. 20 (AP)—Communist China today lodged a protest with Czechoslovakia for obstructing Chinese diplomats who have tried to visit supporters of Prince Norodom Sihanouk in the Cambodian Embassy in Prague, Peking reported.

The New China News Agency said Li Lien-ching, deputy director of the Foreign Ministry's Soviet and Eastern European Affairs Department, lodged a "serious verbal protest" against the Czech action.

A group of Cambodians supporting the ousted Cambodian ruler, now living in Peking, seized the Cambodian Embassy in the Czech capital Aug. 10.

Mr. Li said Chinese diplomats in Prague have tried to "make normal diplomatic contacts" with the Cambodians inside the embassy since Aug. 13 but were "subjected to crude interference and unjustified obstruction by the Czechoslovak authorities."

Mr. Li warned that the Czech government would have to be held responsible for any consequences which may result from the incident.

## Troops in Ulster Open Barriers Separating Foes

BELFAST, Aug. 20 (UPI)—British troops eased restrictions today along a peace line separating Protestant and Roman Catholic neighborhoods in West Belfast.

An army spokesman said persons will be allowed to walk freely through exit points in 12-foot-high corrugated iron barriers separating the two communities in the Crumlin Road district.

The spokesman said the exit points would be closed at night if new rioting broke out in the area. Troops erected the barriers several weeks ago following nights of rioting and shooting between Catholics and Protestants.

Tension between the two communities has subsided following army relief operations during severe flooding in West Belfast during the weekend. Troops who helped with relief work had drinks on the house in a club last night. They were paid for by local Protestants and Catholics.

However, two explosions several minutes apart wrecked a customs station at Bunkskillen on the border with Ireland early today. No one was hurt.

## Canadian City Hit By Wind; 10 Dead

SUDBURY, Ontario, Aug. 20 (AP)—At least six persons died when the community of Lively, population 3,000, just southeast of here, was demolished today by hurricane-like winds of up to 90 miles an hour, provincial police reported. Police said three other persons died in Sudbury, and at least one in Copper Cliff.

A police spokesman said the community of Lively was "flattened right out." Damage in Sudbury, a city of 100,000, was "extensive," with power lines down, an outbreak of small fires and several railroad boxcars blown off the tracks, possibly by several men trapped underneath. Copper Cliff streets were reported to be under ten inches of water.

Sudbury's three hospitals were "flooded with injured," and Mayor Joe Fabian, who estimated damage at \$5 million, appealed by radio for volunteers to assist police and city maintenance crews to help search for injured and to clear streets blocked by wreckage.

**lafayette gift shop**

in the basement of

**AMERICAN EXPRESS**

11 rue Scribe (near Opera)

High quality merchandise at maximum discount prices

Monday-Friday: 9 a.m.-5 p.m.  
Saturday: 9 a.m.-12:15 p.m.

**CHUNN** Establ. 1925

**PERFUMES**

Essential Oils, Flowers, Scent, Cologne & subliminal essences

43 RUE RICHELIEU, PARIS  
Rue Foch-Bergère, T. 824 4206/5884

**COGNAC**

**HENNESSY**

Established in 1765

**ONLY AIRPORT DUTY FREE SHOPPING CENTER**

**AIR FRANCE**

**That's right. You're heading in the right direction.**

You won't find many places like the Airport's Shopping Center. It is quite unique, especially if you're in a hurry... all within a 100-yard radius (and don't forget, on your way home, you can buy tax-free: quite a saving, n'est-ce pas?).

Gifts for personal and business acquaintances on arrival... Souvenirs to take home when you leave... all within a 100-yard radius (and don't forget, on your way home, you can buy tax-free: quite a saving, n'est-ce pas?).

Perfumes, Spices, Leather goods, Jewellery and Watches, Gifts, Confectionery, Cheese, Tobacco, Newspapers and Magazines, Records, Books, Cigars, Toys, Antiques, Fashion Accessories, Souvenirs... and at your service: Shop, Restaurant, Movie Theater, Games room for relaxation, Passenger Insurance, Hair-dresser, Self Drive Cars: Hertz, Avis, Europcar, Megacar.

**AEROPORT DE PARIS**

Direction de l'Exploitation - Service Commerces - Boite Postale 103 - Aéroport d'Orly-94







## U.S. Official Admits Budget Deficit's Growth

By Frank C. Porter  
WASHINGTON, Aug. 20 (AP)—Secretary David M. Kennedy said today that recent estimates to a budget deficit for the current fiscal year larger

### corn Damage at 4 Percent

WASHINGTON, Aug. 20 (AP)—Agriculture Department officials have privately told the Senate Agriculture Committee that preliminary estimates indicate that 4 percent of the nation's corn crop has been damaged to date by the severe corn leaf blight, according to Congressional sources.

### Anti-Trust Suits Against 3M Settled

By Douglas W. Cray  
NEW YORK, Aug. 20 (AP)—National Business Machines Co. has agreed to settle an out-of-court settlement of the anti-trust suits against it last year by the Data Research and Promotions Inc.

The settlement, which was announced today, ended a long legal battle between the two companies. The suits were filed in 1968 by the Data Research and Promotions Inc. against IBM, claiming that IBM had used its market power to suppress competition.

IBM had agreed to settle the suits on behalf of both the company and its subsidiaries. The settlement was announced today by IBM's legal counsel, John R. Bennett.

Bennett said the settlement was a "wholly voluntary" agreement between the two companies. He said the settlement was "a good example of the way in which disputes can be resolved without the need for a trial."

The settlement was announced today by IBM's legal counsel, John R. Bennett. He said the settlement was "a good example of the way in which disputes can be resolved without the need for a trial."

The settlement was announced today by IBM's legal counsel, John R. Bennett. He said the settlement was "a good example of the way in which disputes can be resolved without the need for a trial."

The settlement was announced today by IBM's legal counsel, John R. Bennett. He said the settlement was "a good example of the way in which disputes can be resolved without the need for a trial."

The settlement was announced today by IBM's legal counsel, John R. Bennett. He said the settlement was "a good example of the way in which disputes can be resolved without the need for a trial."

The settlement was announced today by IBM's legal counsel, John R. Bennett. He said the settlement was "a good example of the way in which disputes can be resolved without the need for a trial."

The settlement was announced today by IBM's legal counsel, John R. Bennett. He said the settlement was "a good example of the way in which disputes can be resolved without the need for a trial."

## Cornfield-IOS Compromise Is Proposed

Ex-Boss Would Join Present Management

By Philip Greer

NEW YORK, Aug. 20 (AP)—A compromise plan which would return Bernard Cornfield to the board of directors of Investors Overseas Services but keep control of the company in the hands of the present management is being proposed to head off a proxy fight between the two factions.

Under the proposal, Mr. Cornfield, who was ousted as CEO in May, would become chairman of the board. The company's management would remain in place, but with a new board of directors.

The proposal was announced today by a spokesman for the company. He said the proposal was "a good example of the way in which disputes can be resolved without the need for a trial."

The proposal was announced today by a spokesman for the company. He said the proposal was "a good example of the way in which disputes can be resolved without the need for a trial."

The proposal was announced today by a spokesman for the company. He said the proposal was "a good example of the way in which disputes can be resolved without the need for a trial."

The proposal was announced today by a spokesman for the company. He said the proposal was "a good example of the way in which disputes can be resolved without the need for a trial."

The proposal was announced today by a spokesman for the company. He said the proposal was "a good example of the way in which disputes can be resolved without the need for a trial."

The proposal was announced today by a spokesman for the company. He said the proposal was "a good example of the way in which disputes can be resolved without the need for a trial."

The proposal was announced today by a spokesman for the company. He said the proposal was "a good example of the way in which disputes can be resolved without the need for a trial."

The proposal was announced today by a spokesman for the company. He said the proposal was "a good example of the way in which disputes can be resolved without the need for a trial."

The proposal was announced today by a spokesman for the company. He said the proposal was "a good example of the way in which disputes can be resolved without the need for a trial."

The proposal was announced today by a spokesman for the company. He said the proposal was "a good example of the way in which disputes can be resolved without the need for a trial."

## Japan Getting Lion's Share Of U.S. Funds Overseas

NEW YORK (AP)—With the U.S. stock market still in a state of a panic, many investment companies have been looking overseas for interesting situations.

A new survey by Vickers Associates, a company that monitors investment company portfolios, provides some details on the countries and companies in which investment companies have their holdings.

The survey covers foreign stocks, excluding Canadian securities, held by three or more investment companies.

## Pergamon Battle Rekindled By Results of Outside Audit

By Joseph Frayman

LONDON, Aug. 20 (AP)—An independent audit has produced figures showing that Pergamon made a profit of well over \$100,000 for the first nine months of 1969. This excludes allowances for losses incurred by the company in the purchase of the Pergamon Press.

The audit was conducted by a firm of accountants. It found that Pergamon had a profit of \$100,000 for the first nine months of 1969. This was a significant improvement on the losses reported in previous years.

The audit was conducted by a firm of accountants. It found that Pergamon had a profit of \$100,000 for the first nine months of 1969. This was a significant improvement on the losses reported in previous years.

The audit was conducted by a firm of accountants. It found that Pergamon had a profit of \$100,000 for the first nine months of 1969. This was a significant improvement on the losses reported in previous years.

The audit was conducted by a firm of accountants. It found that Pergamon had a profit of \$100,000 for the first nine months of 1969. This was a significant improvement on the losses reported in previous years.

The audit was conducted by a firm of accountants. It found that Pergamon had a profit of \$100,000 for the first nine months of 1969. This was a significant improvement on the losses reported in previous years.

The audit was conducted by a firm of accountants. It found that Pergamon had a profit of \$100,000 for the first nine months of 1969. This was a significant improvement on the losses reported in previous years.

The audit was conducted by a firm of accountants. It found that Pergamon had a profit of \$100,000 for the first nine months of 1969. This was a significant improvement on the losses reported in previous years.

The audit was conducted by a firm of accountants. It found that Pergamon had a profit of \$100,000 for the first nine months of 1969. This was a significant improvement on the losses reported in previous years.

The audit was conducted by a firm of accountants. It found that Pergamon had a profit of \$100,000 for the first nine months of 1969. This was a significant improvement on the losses reported in previous years.

## NYSE Chalks Up Third Day's Rise

By Vartan G. Vartan

NEW YORK, Aug. 20 (AP)—The continuing popularity of oil stocks and glimmers of a brighter economy provided Wall Street today with its third consecutive advance.

There was a better tone to the market generally as volume on the New York Stock Exchange rose to 10.17 million shares from yesterday's 9.87 million shares.

The Dow Jones industrial average showed a pronounced strength in the final hour, rising 5.61 to 728.60. It has gained better than 30 points in the last three sessions and now is poised within striking distance of the 735 area where it turned downward at the end of July after a brisk month-long rally.

Prices looked pretty strong at the close—strong enough for one broker to mumble, "perhaps the start of a new bull move, maybe," followed by a thin laugh.

Investors were cheered by the Commerce Department's new mid-year assessment of the economy forecasting a "renewed upswing" in the rest of 1970 and 1971.

Glamour issues, buoyed by the increase in short interest, announced after the close yesterday, shared honors with the blue chips.

IBM rose 5 to 244 3/4. Corning Glass jumped 3 3/4 to 157. Both Xerox and Memorex advanced more than a point. Avon Products, up 1 1/8 to 63 7/8, disclosed plans to begin market research in the beauty salon field.

Du Pont, a stalwart among the blue chips, climbed 3 to 123 1/2. Its advance, in the face of a dip in second-quarter profits reported last month, spelled "investment-grade buying" to some market analysts.

Oil stocks, which had been under a cloud since the end of July, were back in the limelight. The active list, Texaco rose 1 to 31 3/4. Continental Oil added 7/8 to 24 5/8 and Standard Oil of California advanced 1 5/8 to 46 1/8.

Elsewhere, gains appeared among the oils: Barter Oil, up 2 3/8 to 30 3/4; Getty, up 3 3/4 to 55 1/4; and Pacific Petroleum, up 2 1/8 to 27 3/8. Price increases of a point or more were sprinkled liberally throughout the group.

The current rally in petroleum issues reflects the demise of a threatened tariff system for oil import controls, as well as the record allowable oil production in Texas for next month.

Another fillip appeared today in the looming shortage of natural gas and certain other fuels. Oil producers typically also have a hand in producing gas. In the natural gas group, Colorado Interstate rose 1 3/4 to 34 3/4, while Mesa Petroleum gained 3 to 32 3/4.

Trans World Airlines, the most active stock, slipped 3/4 to 13 1/4. Telcel, No. 3 on the active roster, fell 1/2 to 9 1/2 and registered a 1970 low.

Swift, however, bucked the market and backed off 2 5/8 to 22 5/8. The company said it expects continued earnings gains this year despite the corn blight, but declined to speculate on the effect the crop reduction might have on its fiscal 1971 profits.

## BOAC Profits Set Record, Debt to Britain Is Eliminated

LONDON, Aug. 20 (Reuters)—Britain's largest state airline today announced a record profit for fiscal 1970, brought on by the cost of re-equipping fleets with advanced aircraft.

The annual accounts of British Overseas Airways Corp. showed an operating surplus of \$21.7 million, its highest ever, and after-tax profits of \$19.3 million (\$46.33 million).

Coming after five consecutive years of healthy surplus, the profit was hailed by the corporation as a substantially better performance than those of its foreign rivals—many of which have shown sharply deteriorating results during the past two years.

## NYSE and Amex Report Increases In Short Interest

NEW YORK, Aug. 20 (AP)—Short-interest positions on the New York Stock Exchange on Aug. 14 were 10.2 percent higher than a month earlier, the exchange reported yesterday.

The exchange said short-interest positions last Friday amounted to 20,075,218 shares, an increase of 1,666,008 shares from the revised July figure of 18,219,220 shares.

The August figure represented the highest level of short-interest since December, 1968, when it was 21,920,416 shares.

The American Stock Exchange reported that in August short interest was 5,633,075 shares, an increase of 600,985 shares from the July figure.

A short sale is the sale of borrowed stock. The seller generally expects a price decline that will enable him to repurchase an equal number of shares at a lower price. The short interest is the number of shares that have not been repurchased for return to lenders.

Another fillip appeared today in the looming shortage of natural gas and certain other fuels. Oil producers typically also have a hand in producing gas. In the natural gas group, Colorado Interstate rose 1 3/4 to 34 3/4, while Mesa Petroleum gained 3 to 32 3/4.

Trans World Airlines, the most active stock, slipped 3/4 to 13 1/4. Telcel, No. 3 on the active roster, fell 1/2 to 9 1/2 and registered a 1970 low.

Swift, however, bucked the market and backed off 2 5/8 to 22 5/8. The company said it expects continued earnings gains this year despite the corn blight, but declined to speculate on the effect the crop reduction might have on its fiscal 1971 profits.

Another fillip appeared today in the looming shortage of natural gas and certain other fuels. Oil producers typically also have a hand in producing gas. In the natural gas group, Colorado Interstate rose 1 3/4 to 34 3/4, while Mesa Petroleum gained 3 to 32 3/4.

Trans World Airlines, the most active stock, slipped 3/4 to 13 1/4. Telcel, No. 3 on the active roster, fell 1/2 to 9 1/2 and registered a 1970 low.

Swift, however, bucked the market and backed off 2 5/8 to 22 5/8. The company said it expects continued earnings gains this year despite the corn blight, but declined to speculate on the effect the crop reduction might have on its fiscal 1971 profits.

Prices looked pretty strong at the close—strong enough for one broker to mumble, "perhaps the start of a new bull move, maybe," followed by a thin laugh.

Investors were cheered by the Commerce Department's new mid-year assessment of the economy forecasting a "renewed upswing" in the rest of 1970 and 1971.

Glamour issues, buoyed by the increase in short interest, announced after the close yesterday, shared honors with the blue chips.

IBM rose 5 to 244 3/4. Corning Glass jumped 3 3/4 to 157. Both Xerox and Memorex advanced more than a point. Avon Products, up 1 1/8 to 63 7/8, disclosed plans to begin market research in the beauty salon field.

Du Pont, a stalwart among the blue chips, climbed 3 to 123 1/2. Its advance, in the face of a dip in second-quarter profits reported last month, spelled "investment-grade buying" to some market analysts.

Oil stocks, which had been under a cloud since the end of July, were back in the limelight. The active list, Texaco rose 1 to 31 3/4. Continental Oil added 7/8 to 24 5/8 and Standard Oil of California advanced 1 5/8 to 46 1/8.

Elsewhere, gains appeared among the oils: Barter Oil, up 2 3/8 to 30 3/4; Getty, up 3 3/4 to 55 1/4; and Pacific Petroleum, up 2 1/8 to 27 3/8. Price increases of a point or more were sprinkled liberally throughout the group.

The current rally in petroleum issues reflects the demise of a threatened tariff system for oil import controls, as well as the record allowable oil production in Texas for next month.

Another fillip appeared today in the looming shortage of natural gas and certain other fuels. Oil producers typically also have a hand in producing gas. In the natural gas group, Colorado Interstate rose 1 3/4 to 34 3/4, while Mesa Petroleum gained 3 to 32 3/4.

Trans World Airlines, the most active stock, slipped 3/4 to 13 1/4. Telcel, No. 3 on the active roster, fell 1/2 to 9 1/2 and registered a 1970 low.

Swift, however, bucked the market and backed off 2 5/8 to 22 5/8. The company said it expects continued earnings gains this year despite the corn blight, but declined to speculate on the effect the crop reduction might have on its fiscal 1971 profits.

Another fillip appeared today in the looming shortage of natural gas and certain other fuels. Oil producers typically also have a hand in producing gas. In the natural gas group, Colorado Interstate rose 1 3/4 to 34 3/4, while Mesa Petroleum gained 3 to 32 3/4.

Trans World Airlines, the most active stock, slipped 3/4 to 13 1/4. Telcel, No. 3 on the active roster, fell 1/2 to 9 1/2 and registered a 1970 low.

Swift, however, bucked the market and backed off 2 5/8 to 22 5/8. The company said it expects continued earnings gains this year despite the corn blight, but declined to speculate on the effect the crop reduction might have on its fiscal 1971 profits.

## Company Reports

Company	1970	1969
Amper Corp.		
Revenue (millions)...	\$4.50	\$3.85
Profits (millions)...	0.52	0.38
Per Share	0.05	0.28
New York		
Revenue (millions)...	88.1	82.7
Profits (millions)...	5.53	6.13
Per Share	0.22	0.24
Howard		
Revenue (millions)...	262.1	234.7
Profits (millions)...	17.25	17.81
Per Share	0.68	0.71
International Harvester		
Revenue (millions)...	659.8	688.4
Profits (millions)...	8.61	12.05
Per Share	0.33	0.43
Five Month		
Revenue (millions)...	1,947.1	1,913.4
Profits (millions)...	39.80	41.95
Per Share	1.46	1.51
Marcor Inc.		
Revenue (millions)...	676.6	657.5
Profits (millions)...	12.15	13.80
Per Share	0.31	0.35
Revenue (millions)...	1,308	1,265.6
Profits (millions)...	22.59	24.96
Per Share	0.58	0.64
Reliance Electric		
Revenue (millions)...	243.47	230.41
Profits (millions)...	9.54	12.26
Per Share	0.89	1.29
Texas Gas Transmission		
Revenue (millions)...	103.7	94.56
Profits (millions)...	6.89	5.38
Per Share	0.74	0.59
First Nat		
Revenue (millions)...	311.19	192.78
Profits (millions)...	12.87	10.77
Per Share	1.29	1.19
Wicks Corp.		
Revenue (millions)...	140.3	131.7
Profits (millions)...	2.28	3.27
Per Share	0.40	0.58
First Nat		
Revenue (millions)...	251.4	233.7
Profits (millions)...	4.27	6.75
Per Share	0.61	0.99
W.T. Grant		
Revenue (millions)...	290.4	278.3
Profits (millions)...	5.93	5.24
Per Share	0.96	0.57
First Nat		
Revenue (millions)...	588.5	518.5
Profits (millions)...	5.26	8.92
Per Share	0.37	0.47

## Poseidon Bids For 2 Nickel Mining Firms

LONDON, Aug. 20 (Reuters)—A double takeover bid was announced today by Norman Sherlaw, whose Poseidon nickel mine in Australia has already made him a millionaire on paper.

Shortly after the Australian stock exchanges closed, but before the London market opened, he announced offers for two other mining companies—the first takeover Poseidon has made since Mr. Sherlaw abandoned his earlier profession as a stockbroker to become head of Poseidon.

The companies bid for are: Samin, which acts as manager of the Windarra nickel project in Western Australia and also has its own mining interests.

Lake View and Star, which until a few years ago was prospecting for gold in Kalgoorlie but now concentrates on nickel.

About 18 percent of Lake View's capital is held by Consolidated Goldfields, the worldwide mine financing house, so if the takeover goes through Consolidated will win a stake in Poseidon's fortunes.

Share Price Finders  
Less than a year ago, Poseidon was almost unknown outside the Australian market where its mine was just being started.

Then, a claim that vast deposits of nickel had been found almost by accident boosted its shares overnight from a few shillings to £124 (£388) each.

Since then conflicting views about the mine's potential have brought down the price. Today, it saw another price flutter as big crowds gathered around the mine share section of the London market after the bid announcement.

Starting the day at £38, Poseidon shares quickly jumped to £40 and then fell back to around £36.

Samin went from £57 2/5 to £5 and then back to its earlier price while Lake View fared best of all with an overall gain on the day of four shillings.

Poseidon is offering two of its shares for every 15 Samin shares and one share for every 40 Lake View shares. The offer is conditional upon 90 percent acceptance.

## British Jobless Rate Sets Record

LONDON, Aug. 20 (AP)—Britain's unemployment rose this month to the highest level in 30 years, the Ministry of Employment and Productivity reported today.

The Aug. 10 total of jobless workers was 655,843, equal to 2.6 percent of the total labor force, and the first total over 600,000 since modern records began.

The figure was 36,346 more than on July 14 when the percentage was 2.5. August 1969, with 568,000 unemployed, also showed a 2.5 percent rate.

## 4 Seasons Subsidiary Broke in Luxembourg

LUXEMBOURG, Aug. 20 (Reuters)—Luxembourg SA, trustee for the \$15 million Eurobond issue floated last year by Four Seasons Overseas NV, said today the Luxembourg Commercial Court declared the company bankrupt under Luxembourg law following an action by a bondholder.

The court ruled that creditors should file any claims against the subsidiary of the U.S. firm by Sept. 3.

## World Bank Lifts Rates

WASHINGTON, Aug. 20 (Reuters)—The World Bank will increase its interest rate charges on new loans to developing countries to 7 1/4 percent from 7 percent, the first change since August, 1969, bank sources report.

The fact that they've taken a beating in the market during the past year and a half definitely has led to the increasing number of suits against brokerage houses and corporations, said Stanley L. Kaufman, a New York attorney who has handled many stockholder actions.

"People had a way of forgetting when everything was going well and all kinds of young sideburned tycoons and geniuses were putting corporations together, building empires and conglomerates, making irresponsible statements and, in fact, violating the laws," Mr. Kaufman said.

"The public paid no attention as long as they were making money, but when the bubble burst people said: 'Here are these laws to protect me, so why not use them?' What has happened in the past year shows the wisdom of the securities laws passed after the great depression," he said.

Some legal experts estimate that several hundred stockholder suits currently are active across the country.

"Liberal" Findings  
Although the experts say the declining market and recent brokerage-house failures gave impetus to new stockholder litigation, the "liberal" interpretation of federal securities laws and regulations by the courts is cited by some as an important contributing factor.

In Houston recently, a judge held that the trustee for a company reorganizing under the federal bankruptcy laws has the authority to sue the principals on behalf of all the stockholders.

"I think you're going to see much more of this where the trustees are trying to recover for

## Wallets Light, Investors File Suit

By Carole Martin

NEW YORK, Aug. 20 (AP)—More and more stockholders are turning to the courts in an effort to recoup some of the losses they have suffered during a 21-month bear market, legal experts report.

"The fact that they've taken a beating in the market during the past year and a half definitely has led to the increasing number of suits against brokerage houses and corporations," said Stanley L. Kaufman, a New York attorney who has handled many stockholder actions.

"People had a way of forgetting when everything was going well and all kinds of young sideburned tycoons and geniuses were putting corporations together, building empires and conglomerates, making irresponsible statements and, in fact, violating the laws," Mr. Kaufman said.

"The public paid no attention as long as they were making money, but when the bubble burst people said: 'Here are these laws to protect me, so why not use them?' What has happened in the past year shows the wisdom of the securities laws passed after the great depression," he said.

Some legal experts estimate that several hundred stockholder suits currently are active across the country.

"Liberal" Findings  
Although the experts say the declining market and recent brokerage-house failures gave impetus to new stockholder litigation, the "liberal" interpretation of federal securities laws and regulations by the courts is cited by some as an important contributing factor.

In Houston recently, a judge held that the trustee for a company reorganizing under the federal bankruptcy laws has the authority to sue the principals on behalf of all the stockholders.

"I think you're going to see much more of this where the trustees are trying to recover for

AFCA  
watch it go

## DIAMONDS

Save 50% on single diamonds direct from the factory at wholesale prices  
call: 18-28-83  
9 a.m. daily till 6 p.m.  
Saturday till 4 p.m.  
or visit: SIDIAM  
1509 Marlin Center  
15th Floor  
1000 BRUSSELS  
(Phone Rogier).

## It is our business to make your money grow in Mexico!

ALLEN W. HINDY & ASSOCIATES, S.A.  
1509 Marlin Center  
15th Floor  
1000 BRUSSELS  
(Phone Rogier).

Here's the package we offer to you and our other investment clients worldwide:  
\* investment counsel on all aspects of Mexico.  
\* full brokerage services.  
\* estate planning.  
\* custody and/or administration of holdings.  
\* monthly statements & economic survey.  
\* membership or affiliation in all of Mexico's stock exchanges.

Send for our free Mexican investment brochure—ask us your specific questions.



INDUSTRIALS	High	Low	Last	Chg
2500 Alcoa	47.0	46.5	46.5	-1/8
2500 Alcoa	47.0	46.5	46.5	-1/8
2500 Alcoa	47.0	46.5	46.5	-1/8
2500 Alcoa	47.0	46.5	46.5	-1/8
2500 Alcoa	47.0	46.5	46.5	-1/8
2500 Alcoa	47.0	46.5	46.5	-1/8
2500 Alcoa	47.0	46.5	46.5	-1/8
2500 Alcoa	47.0	46.5	46.5	-1/8
2500 Alcoa	47.0	46.5	46.5	-1/8
2500 Alcoa	47.0	46.5	46.5	-1/8

Montreal Stocks	High	Low	Last	Chg
1400 Alcan	12.15	12.10	12.10	-1/8
1400 Alcan	12.15	12.10	12.10	-1/8
1400 Alcan	12.15	12.10	12.10	-1/8
1400 Alcan	12.15	12.10	12.10	-1/8
1400 Alcan	12.15	12.10	12.10	-1/8
1400 Alcan	12.15	12.10	12.10	-1/8
1400 Alcan	12.15	12.10	12.10	-1/8
1400 Alcan	12.15	12.10	12.10	-1/8
1400 Alcan	12.15	12.10	12.10	-1/8
1400 Alcan	12.15	12.10	12.10	-1/8

Foreign Stock Indexes	1970	1969	1968	1967
Amsterdam	120.4	131.7	133.8	106.3
Brussels	110.8	109.2	109.2	109.2
Frankfurt	154.3	152.1	152.1	152.1
London	339.4	332.3	332.3	332.3
Paris	134.6	134.6	134.6	134.6
Sydney	578.6	575.2	575.2	575.2
Tokyo	120.8	119.7	119.7	119.7
Toronto	311.3	311.3	311.3	311.3
Zurich	308.6	308.1	308.1	308.1

## Toronto Stocks

Closing prices on Aug. 20, 1970

High	Low	Last	Chg
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8

High	Low	Last	Chg
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8

## Mutual Funds

Closing prices on Aug. 20, 1970

High	Low	Last	Chg
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8

## New York Stock Exchange Trading

High	Low	Last	Chg
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8
1400 Alcan	12.15	12.10	-1/8

## An Unprecedented Offer from the Value Line Investment Survey

The publishers of America's leading investment advisory periodicals announce an unprecedented offer:

To readers of this advertisement we will send our best-selling publication, The Value Line Investment Survey, every week for a full quarter of a year at a reduction of 43% from our lowest introductory offer.

This means that you pay just \$35 (or local equivalent) to profit from a service that sells for \$187 per year. For this amount you receive:

Over 100 Value Line Survey pages every week for three months — pages that enable you to evaluate instantly and continuously any of America's 1,400 leading stocks.

Two handsome binders for keeping your service up to date with maximum convenience.

A full Value Line Reference Library containing all past reports for the previous three months.

Remember, too, all materials are sent you through Value Line's air-freight relay so that you enjoy the same kind of timeliness as subscribers in the United States.

Why this unusual offer? The spontaneous sale to date of our publications in Europe convinces us that there is bound to be ever-increasing reliance here on Value Line for sound, disciplined assessment of U.S. securities. We frankly want to spread knowledge of Value Line still more widely.

But keep in mind, this offer must be terminated. Be sure to send in the following coupon immediately.

To: THE VALUE LINE INVESTMENT SURVEY  
Case 240, Geneva-Ville  
CH 1211 GENEVE 6, Suisse.

Yes, I accept your introductory offer of only \$35 for 3 months of air-freight service, plus binders, plus Reference Library. I enclose my payment in dollars or equivalent in my money.

Please bill me.

Name: \_\_\_\_\_

Street: \_\_\_\_\_

City: \_\_\_\_\_

VACATION NOTE: If you wish the beginning of your service deferred, please indicate desired starting date: \_\_\_\_\_

\$30,000,000

## The Republic of Panama

## Floating Rate Serial Notes due 1972 to 1975

The above financing has been arranged by

Goldman, Sachs &amp; Co.

The Deltec Banking Corporation

with the undersigned

First National City Bank

Bank of America

The Chase Manhattan Bank, N.A.

Adela Investment Company S.A.

Allied Bank International

Bank of London and Montreal Ltd.

Bank of London &amp; South America

Bank of Montreal

Banque de Bruxelles, S.A.

Banque Européenne de Tokyo S.A.

Banque Paribas

Wm. Brandt's Sons and Co. Ltd.

Compañia Financiera y Comercial Panamensis S.A.

Banque Paribas et Italienne pour l'Amérique du Sud Group

Crocker Citizens National Bank

Dow Banking Corporation

The First National Bank of Chicago

Guinness Mahon &amp; Co.

The First Pennsylvania Banking and Trust Company

Northwestern National Bank of Minneapolis

Limited

Lovelock Establishment—Vaduz

The Royal Bank of Canada

Security Pacific National Bank

The Toronto Dominion Bank

Sofis Overseas Inc.

Wells Fargo Bank N.A.

August 20, 1970















## PEANUTS



# BRIDGE

**—By Alan Truscott**

## DENNIS THE MENACE

**IMPLE**—that scrambled word came

## BOOKS

## LOOKING FOR DILMUN

*By Geoffrey Bibby. Knopf: 306 pp. \$10.*

## THE BOG PEOPLE

By P. V. Glob. Cornell University Press. 184 pp. \$2.75

## ROMANS ON THE RHINE

*By Paul MacKendrick. Funk and Wagnalls. 234 pp. 7*

Reviewed by Karl E. Meyer

## CROSSWORD

**By Will We**

1	2	3	4		5	6	7	8	9	10	11	12	13
					15					16			
14				18						19			
20										21			
22						23	24	25					
					26	27	28			29		30	31
32	33	34			35					36			
37			38				39		40				
41					42		43				44		
45					46								
		47	48						49	50	51	52	53
54	55					56	57	58					
59						60							
61						62				63			
64						65				66			







representatives, Inc., P.O. Box 250  
Manila, Philippines.

**FRANCE & OTHER COUNTRIES**  
(Head Office): Mr. John S. B. B.  
Rue de Berri, Paris-8e, France  
Tel.: 223-23-80. Telex: 2550